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SUBJECT: Scenesetter for the U.S. Visit of Serbian Deputy Prime

Minister Ivica Dacic

REF: 10 BELGRADE 90; 09 BELGRADE 469; C) 09 BELGRADE 924

Summary

(SBU) Ivica Dacic, who wears three hats as First Deputy Prime Minister, Minister of Interior, and head of the Socialist Party of Serbia (SPS), is perhaps the most savvy and intriguing member of the Serbian government. As the head of strongman Slobodan Milosevic's former party, Dacic has laid out and is aggressively pursuing a strategy to legitimize and transform the Socialist Party into a modern, democratic, pro-European party. To do so, he is using his government positions to demonstrate action - on cross-border crime, corruption, visa liberalization, the deployment of Serbian police to Afghanistan with EUPOL, and even a certain degree of pragmatism on cooperation with EULEX on Kosovo. He makes little effort to hide the fact that his long-term goal is to run the Serbian government. He has a long way to go, however, to rebuild a voter base still traumatized by his decision to modernize the party and enter into a governing coalition with Boris Tadic's Democratic Party. Dacic has a transactional approach to doing business, including diplomacy - in return for the international credibility he expects to receive from his visit to Washington, he will likely be prepared to offer movement on the issues we prioritize. End Summary.

First Deputy Prime Minister

12. (SBU) Thanks to the vagaries of Serbia's proportional electoral system, Dacic wound up as the kingmaker following May 2008 parliamentary elections. After protracted negotiations during which he was courted by both the democrats and the nationalist bloc of former Prime Minister Vojislav Kostunica's Democratic Party of Serbia (DSS), Dacic opted for the pro-European course. He exacted a heavy price on Tadic, however, obtaining the First Deputy Prime Minister title for himself as well as five cabinet positions and the Speaker of Parliament for his party. The Socialists' representation in the 27-member cabinet is disproportional to their 20 seats in the 250-member Parliament.

13. (SBU) Dacic's status as first among the government's four deputy prime ministers gives him a certain protocol rank which he clearly enjoys, but he has not attempted to assert his theoretical authority over the other ministries which fall into his security portfolio such as the Ministry of Defense. He appears to realize that he should not push his luck; this reticence also allows him to skirt issues which remain politically radioactive for his party, such as the question of Serbia's eventual membership in NATO and cooperation with the International Criminal Tribunal for the former Yugoslavia (ICTY).

14. (SBU) Dacic's primary focus within government is on his work as Minister of Interior. He was a surprising and, to many, an alarming choice for the job. Although his father was a policeman, Dacic had no prior experience in law enforcement or the judicial system. Many Serbians were concerned that he would not pursue reform but rather would use the position to place Socialist Party cronies in police positions around the country and protect corrupt SPS officials by stalling investigations. In the past several

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months, however, several leading human rights activists have confessed to us that - to their own astonishment - they now view Dacic as one of the most effective Ministers of Interior in Serbia's recent history. Most notably, he led the Serbian government's efforts to fulfill the lengthy checklist of steps required for placement on the Schengen "White List," i.e. EU visa liberalization (Ref A).

- 15. (SBU) One of his early priorities was establishing cooperation with Serbia's neighbors on cross-border crime. He has signed police cooperation agreements with his counterparts in Croatia, Bosnia and Herzegovina, Macedonia, Slovenia, Montenegro, Hungary, Belgium, Switzerland, Russia, China, Austria, France, and Israel, and has followed up with a series of high-profile arrests of organized crime figures (including the notorious Joca Amsterdam, Ref B) and narcotics traffickers operating in the Balkans. In August 2009 he signed a cooperation agreement with EULEX which we understand has resulted in a certain degree of practical cooperation on border issues; they also reportedly collaborated on the investigation into the October 2009 drowning deaths of over a dozen Kosovar Albanians being smuggled from Serbia into Hungary across the Tisza River. More could still be done, particularly with regard to combating organized crime.
- 16. (SBU) Dacic has focused on the need to combat trafficking in persons, appointing early in his tenure an experienced, dynamic individual to fill the long-vacant Anti-Trafficking National Coordinator position. Dacic has thrown his political support behind the Coordinator, who has the challenging job of coordinating all of the country's victim protection, law enforcement, and prevention efforts across several ministries. While funding for victim protection and awareness is still inadequate, enforcement is on the rise. Dacic personally issued an instruction to all police on how to recognize and treat a trafficking victim, leading to a significant increase in victim identification. Reacting to our letter to the Council to Combat Trafficking, in which we raised our concern with lack of funding for TIP victims shelters, Dacic asked the Finance Minister to allocate \$85,000 for that purpose. The Ministry is working with post to design a comprehensive anti-TIP training program for police officers, social workers, labor inspectors, judges, and prosecutors.

- 17. (SBU) While Dacic focuses most of his energy on cooperating with neighboring countries, he takes great pride in working with U.S. law enforcement as well. He has been very open to cooperation with ICITAP advisors and DS-ATA programs, and shared information with us discovered during the course of an unrelated investigation that led to the arrest of a U.S. citizen on child pornography charges in New Jersey.
- 18. (SBU) Under Dacic's leadership the Ministry of Interior is working to increase the participation of Serbian police in peace stabilization operations around the world. At present, Serbian police are serving in MINUSTAH in Haiti and in UNMIL in Liberia. Dacic recently wrote to the European Union's Robert Cooper to offer the services of Serbian police trainers in a EUPOL mission in Afghanistan. He explained to us that Serbia's ability to contribute police is limited only by financial rather than political constraints; he is willing to send a significant contingent on international missions if funding could be provided.
- 19. (SBU) Dacic and his Ministry need to do more on one particular area of cooperation with the U.S., however: ensuring that justice is done in the case of the Bytyqi brothers (Ref C), killed by Ministry of Interior personnel in Serbia in 1999 and buried in a mass grave. As a result of a continued conspiracy of silence among the police, and a lack of political will by previous governments to get to the bottom of the case, the investigation has gone almost nowhere. In a very frank conversation with us on January 15, Dacic confessed that he had only become aware of the

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details of the Bytyqi case - and the level of obstructionism within the MOI - in recent months. He told us that he was resolved to do his utmost to get to the truth, including if necessary firing anyone who would not cooperate with investigators. He was optimistic that some progress could be made if a different approach was taken in the investigation, i.e., to identify the shooters and work back up the chain of command, rather than starting at the top as before. His goal was to produce "concrete results" in the first half of 2010, although he could not guarantee that the effort would be successful. In order to unblock the investigation, Dacic must send a clear signal to impress upon all MOI personnel that silence or perjury will no longer be tolerated. We have suggested that he make a public statement announcing his commitment to finding the truth, and that he appoint a single high-ranking point person within MOI to lead an interagency task force and be responsible for producing results after a decade of inaction.

<u>¶</u>10. (SBU) Police reform and ICTY cooperation are two other areas where Dacic is not as forward-leaning as he could or should be. The OSCE has been working with the Ministry of Interior on police reform for several years, and while changes have been made at the margins there has not been a top-to-bottom reorganization and purging of the organization. Public confidence in the Interior Ministry is increasing -- in a recent OSCE poll, 29% of citizens indicated confidence in the ministry compared with 24% in 2008, one of only two government ministries or agencies to show an increase. There nevertheless remains a significant perception that the organization is corrupt and repressive. On ICTY cooperation, Dacic walks a fine line between his political constraints as leader of the Socialists and his desire to show respect for European standards: he emphasizes that Serbia must fulfill its international obligations to cooperate with the tribunal and bring war criminals to justice, while at the same time making it clear that his Ministry will follow orders to arrest suspects if located but will not take the lead on the investigation. (The government's Action Team coordinating the hunt for Ratko Mladic and Goran Hadzic has long been run as an intelligence operation rather than by the police.) Dacic very publicly distanced himself and the

ministry from the July 2008 arrest of ICTY indictee Radovan Karadzic.

111. (SBU) Dacic remains both the public face and the behind-the-scenes leader of the Socialist Party. Although the SPS did relatively well in the May 2008 parliamentary elections, garnering 15 seats in Parliament (20 total with electoral coalition partners United Serbia and PUPS), its support levels dropped off considerably after Dacic opted to form a governing coalition with the Democratic Party. Party leaders tell us that they are focused on rebuilding the party from the ground up and attracting new members from the ranks of the previously unaffiliated and the right by demonstrating that SPS's ministers produce results. They claim an increase in SPS members under 30 over the past year. (Comment: Given Serbia's long tradition of political patronage, young people often join governing parties in hopes of landing a public sector job.) With the party still only polling 5% in December 2009, Dacic is not eager for new elections and appears focused on assuring the stability of the current coalition.

U.S. Visit

112. (SBU) Dacic plans to visit Washington and New York from January 28 - February 5. In Washington, he is seeking meetings with the National Security Council, State Department, Department of Justice, FBI, Department of Homeland Security, and Congress. He

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will attend the National Prayer Breakfast on February 4, the first time a representative of the SPS has been invited. In New York, he plans to meet with Commissioner Kelley and visit the Joint Terrorism Task Force. As a former member of the Milosevic government, Dacic needed a waiver in order to obtain his U.S. visa for this visit; he proudly announced to the press in December that he had received a five year A-1 visa.

Comment

¶13. (SBU) Dacic views the opportunity to visit Washington as a turning point in his political career and validation of his efforts to legitimize the Socialist Party of Serbia. His achievements as Interior Minister are in large part the result of his desire to show the U.S. and the EU that he is a forward-leaning, modern, European leftist politician. We should acknowledge the good work he has done to improve regional police cooperation and congratulate him on visa liberalization, while pushing him to do more on the Bytyqi case. Although it is outside his comfort zone, Dacic also has the ability to act as a check on others in government who are advocating an aggressive post-ICJ strategy focused on new Kosovo status negotiations; he should hear a clear message that such an approach would have negative consequences for Serbia's European aspirations. End Comment.